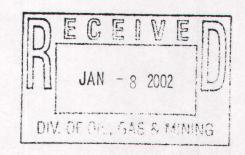
FORM MR-RC Revised April 4, 2001 RECLAMATION CONTRACT

File Number	M/053/004
Effective Date	Feb 22, 2002
Other Agency File I	Number

# STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION of OIL, GAS and MINING

1594 West North Temple Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5291 Fax: (801) 359-3940



#### RECLAMATION CONTRACT

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For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.)	M/053/004  Germanium/Gallium/Copper	
(Mineral Mined)		
"MINE LOCATION":		
(Name of Mine)	Apex mine	
(Description)	Underground mine located in Section	
	T43S, R17W and Section 1, T43S, R18W	
	Washington County, Utah	
"DISTURBED AREA":		
(Disturbed Acres)	9 Acres	
(Legal Description)	(refer to Attachment "A")	
"OPERATOR":		
(Company or Name)	Teck Cominco American Incorporated	
(Address)	15918 East Euclid Avenue	
	P.O. Box 3087	
	Spokane, WA 99220	
(Phone)	(509) 747–6111	

m/053/004

"OPERATOR'S REGISTERED AGENT":			
(Name)	C T Corporation System		
(Address)	50 West Broadway 8th Floor		
	Salt Lake City, Utah 84101-2006		
(Phone)	(801) 364-5101		
"OPERATOR'S OFFICER(S)":	See Attached		
"SURETY": (Form of Surety - Attachment B)	Surety Bond		
"SURETY COMPANY": (Name, Policy or Acct. No.)	St. Paul Fire and Marine Insurance Co		
"SURETY AMOUNT": (Escalated Dollars)	\$57,300 Shor 19,2002		
"ESCALATION YEAR":	<del>2002</del> 2007		
"STATE":	State of Utah		
"DIVISION":	Division of Oil, Gas and Mining		
"BOARD":	Board of Oil, Gas and Mining		
ATTACHMENTS: A "DISTURBED AREA": B "SURETY":			

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between <a href="Teck Cominco American Incorporated">Teck Cominco American Incorporated</a> the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/053/004 which has been approved by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved Reclamation Plan, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

### TECK COMINCO AMERICAN INCORPORATED

Officers:

C. B. DiLuzio

Vice President, Law and Administration

C. B. DiLuzio Secretary

D. H. Horswill

Vice President, Corporate Affairs

D. A. Thompson

President

R. A. Brain

Vice President, Marketing & Sales

R. M. Henningson

Vice President, Mining

R. A. Millos

Controller & Treasurer

NOW, THEREFORE, the Division and the Operator agree as follows:

1.	Operator agrees to conduct reclamation of the Disturbed Area in	
	accordance with the Act and implementing regulations, the original Notice	e or
	Intention dated February 10, 1984, and the original	
	Reclamation Plan dated February 10, 1984	
	Notice of Intention as amended, and the Reclamation Plan, as amended,	
	are incorporated by this reference and made a part hereof.	

- 2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Division in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
- Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
- 4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
- 5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
- 6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the Division that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The Division shall hear Operator's

request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

- 7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
- 8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
- 9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
- 10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
- 11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
- 12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
- 13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
- 14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

# OPERATOR: Teck Cominco American Incorporated **Operator Name** By <u>C. Bruce DiLuzio</u> Authorized Officer (Typed or Printed) Vice President, Law and Administration Authorized Officer - Position January 2, 2002 Officer's Signature Date Washington STATE OF SS: COUNTY OF Spokane On the <u>2nd</u> day of <u>January</u>, 20 <u>02</u>, <u>C. Bruce DiLuzio</u> personally appeared before me, who being by me duly sworn did say that he/ske is the VP, Law & Administration of Teck Cominco American Incorporated and duly acknowledged that said instrument was signed on behalf of said company by authority of its bylaws or a resolution of its board of directors and said \_\_\_\_\_ C. Bruce DiLuzio duly acknowledged to me that said company executed the same. Notary Public Deborah A. Frost

Page 5 of 7 Revised April 4, 2001 Form MR-RC

Residing at Spokane

My Commission Expires:

5/11/03

## DIVISION OF OIL, GAS AND MINING:

By James P B rand Lowell P. Braxton, Director	2/22/02 Date
STATE OF	) _) ss: )
On the 22 day of February personally appeared before me, who being Lowell P. Brax for is the D Mining, Department of Natural Resources, sedged to me that he she executed the foreg of the State of Utah.	irector of the Division of Oil, Gas and
DIANE HOLLAND  NOTARY PUBLIC - STATE OF UTAN  1894 W. North Temple, #1218  Salt Lake City, UT \$4118  My Comm. Exp. 5-1-2002	Notary Public Residing at: Salf Lake City, Utah
May 1, 2002 My Commission Expires:	

## ATTACHMENT "A"

Teck Cominco American Incorporated Operator	Apex Mine Mine Name			
M/053/004 Permit Number	Washington	County, Utah		
LEGAL DES	CRIPTION			
Include 1/4, 1/4, 1/4 sections, townships, ranges and any or		ally determine where		
disturbed lands are located. Attach a topographic map of				
or larger scale is preferred) showing township, range and s				
houndaries tied to this Reclamation Contract and surety.				
The detailed legal description of lands to be disturbed includes portions of the				
following lands not to exceed _09.0	acres under the a	pproved permit and		
surety, as reflected on the attached map I	abeled Apex Mine -	Hecla Mining Company		
and dated 8/24/84 :		1		

SE/4 of SE/4, Section 1, T43S, R18W SW/4 of SW/4 and SE/4 of SW/4, Section 6, T43S, R17W Washington County, Utah